

**VERMONT RAIL COUNCIL
MINUTES OF MEETING
NATIONAL LIFE BUILDING
MONTPELIER, VERMONT
August 1, 2007**

MEMBERS PRESENT: Sam Lewis, Chairperson

Paul Guare	Rep. Sonny Audette
C.J. "Mike" Coates	Charlie Moore
William McCormick	Richard Moulton
John Cook	Dave Wulfson

OTHERS PRESENT: Charlie Miller, VTrans Rail Operations Section
Dick Hosking, VTrans Rail Operations Section
Charles Hunter, Rail America
Rep. Bill Aswad
R.A. Currier, New Hampshire Central Railroad
Ed Jeffrey, New Hampshire Central Railroad
Anthony Otis, Railroad Association of Vermont
Matt Levin, Vermonters for a Clean Environment
Paul Craven
J. Jeffrey Munger, Senator Sanders Office
Nancy Rice, VTrans Rail Operations Section
Jonathan Bruneau, Jacobs Edwards Kelcey-Manch, NH
Christopher Parker, Trainriders Northeast
Scott Bascom, VTrans
Chris Andreasson, Vermont Transit

1. Call to Order & Approval of Minutes

Sam Lewis called the meeting to order at 1:07 p.m. Introductions were made.

Approval of Minutes (6/6/07)

MOTION by John Cook, SECOND by Rick Moulton, to approve the 6/6/07 minutes as written. VOTING: unanimous; motion carried.

2. Project Update

Dick Hosking gave an update on various rail projects. The CE for the improvements on Vermont Railway (Salisbury – Middlebury) has been submitted to the FRA. VTrans is awaiting funds. The force account estimates for Proctor and Middlebury have been submitted. Completion dates are in fall, 2008. Tie replacement on the Connecticut River line has started. Surfacing is a '07 project. Ties are a '08 project. The opening event for the Bellows Falls tunnel is targeted for August with the first train through the tunnel in the first part of September. Regarding the western corridor force account for ties, rail, ballast, and the crossing, the railroad will do the ties and ballast. VTrans will contract out the rail and crossing work. On the western corridor work is being done to shore up the

slurry areas between Proctor and Middlebury (part of the force account work before the ties can be installed). In response to a question about the cost of the crossing work on the Montreal Maine Atlantic (MMA), Dick Hosking explained the state is responsible for the maintenance of all highway rail crossings. Staff is responding to comments on the Middlebury rail spur EIS as well as meeting with the regional planning commission. The contract amount and completion date on the Middlebury to Vergennes track work has not yet been determined (project is scheduled in 2008).

Sam Lewis reported Twin State negotiations are on-going. The mill is closed. The current manager is working to restructure finances so the mill can reopen. The dynamics of the financials are changed for the state with regard to sharing revenue with the mill closed. Sonny Audette asked about the order to vacate the plant. Mr. Lewis conceded the situation is murky, but the state is still moving ahead on the evaluation. Some hard decisions may need to be made. The concern is impact to the continuity of the rail line. Dave Wulfson commented the situation will likely result in abandonment and the need to decide whether to purchase the abandoned line.

3. Amtrak

Ridership

Charlie Miller reported on Amtrak's monthly ridership data, noting overall ridership is strong, but the Ethan Allen Express shows a smaller increase than the Vermonter from July, 2006 through June 30, 2007. Statistics show a 17.8% increase in ridership on the Vermonter and a 5.9% increase on the Ethan Allen Express. Overall, the increase in ridership for 2006-2007 is 12.6%. The 100,000 passenger level has been exceeded. There have been significant increases on the Vermonter service (greater than 20% over the last two months). In February, May, June there has been a decrease in ridership on the Ethan Allen Express.

Bill McCormick asked about fare schedules. Charlie Miller stated Amtrak sets the rate (on a seats available basis similar to the airline industry). There are peak and off-peak rates. Vermont's fare is based on net value which is the cost of service less revenue generated. It is a market based fare. There was discussion of the state subsidizing seats on Amtrak. It was noted bus services are finding the fares are not competitive between the two modes. Charlie Miller will further research the matter and report to the Council at the next meeting. Bill McCormick pointed out the second round trip added to the passenger rail service with the DMU cars will increase capacity and that will result in predatory fare pricing. Mr. Miller stressed there will not be an increase in the number of seats because the train car seating capacity is smaller.

Ethan Allen Express Numbers

Charlie Miller reported the data show from FY06-FY07 (October – June) Vermonters were using the Ethan Allen Express service. The pattern of decrease seems to be more so on the New York side of the route rather than the Vermont side. According to Amtrak ridership on the Adirondack train is down as well. There is no explanation of the decrease in ridership. There does not seem to be a pattern. Customer surveys do indicate the train out of Rutland is not as clean as it should be, and on time performance is another issue

which is very significant. Weather (storms) could also have been a factor. Dave Wulfson mentioned a time change in the schedule in Rutland could explain the decrease in ridership. Mr. Miller confirmed the time slot of the train leaving Rutland has changed and this impacts arrival into New York City (later arrival). Mr. Wulfson explained the time slot change was done because there were problems running freight trains due to conditions on the CLP (slow orders). Rick Moulton observed the Rail Plan indicates the existing track that services Amtrak is a priority, yet the state's rail project list does not reflect any work on the CLP. Dick Hosking pointed out the CLP is a private railroad. The line was fixed previously with federal funds. There are no federal funds available presently. Some of the slow orders have been addressed because they are highway projects. Rick Moulton recalled past discussions with the New York Department of Transportation staff about track conditions in New York State which directly impact service in Vermont. Charlie Miller noted there is a change of personnel anticipated in New York. Rick Moulton observed there are fewer riders than expected from Saratoga to New York City so it may be feasible for the train to go through Hoosick Falls and up the western side of Vermont.

Jeff Munger asked about revenue figures. Charlie Miller stated revenues are well above projected figures from the contract on both the Vermonter and the Ethan Allen Express. Mr. Munger suggested showing revenue and ridership figures because the revenues impact Vermont's contract with Amtrak. Charlie Miller will provide this information. Mr. Miller noted revenue generated on the Vermonter is better overall due to the length of the route.

Dave Wulfson mentioned the Vermont route is on the list for a \$900,000 grant for improvements in Whitehall, New York to decrease delay time associated with trains passing each other in the train yard. The project is slated for 2009.

Impact on Service with DMU Cars and Cross-Platform Transfer

Charlie Miller reviewed the impact on Amtrak ridership associated with the cross-platform transfer. The model shows a decrease in ridership with the DMU service on a one-way trip with a cross-platform crossing, but there is an increase in ridership with a round trip and a cross-platform crossing. Ridership increases from 96,700 to 152,500 riders. Regarding revenue, Vermont gets credit for passengers on the train north of Springfield entering or departing the train. If the numbers are correct, the state will get \$1.5 million. It appears that ridership decreases the closer to the point of transfer. There was further discussion of the routes with the DMU cars and connections outside of the state.

4. Infrastructure Subcommittee

Mike Coates reported the Infrastructure Subcommittee met last month. Work continues on various matters. The next meeting is scheduled for 9/12/07 at 9 a.m. Dick Hosking will send out a notice of the meeting. The project status report is helpful to the subcommittee though more specific information including the project, funds allocated and money spent to date (percent of work done) is needed. Projects in '07 have been

pushed to '08 to correspond to federal funding. The ABRB line is experiencing an increase in traffic so funding may have to be shifted to this section of track.

Rick Moulton asked if funds not expended after five years under SAFETEA-LU can be retained. Sam Lewis stated the funds must be obligated in order to be retained. Jeff Munger noted the phrase “until expended” is helpful. If the funds are obligated or shown to be obligated before SAFETEA-LU expires in 2009, then the money remains with the state. The Congressional delegation will work hard to keep the funds. Sonny Audette interjected the problem is the state does not have matching funds. Sam Lewis explained how funds can be obligated in shifts (design, right-of-way, construction). The state needs to get to the point where the bulk of the money is secured before the end of SAFETEA-LU funding. Vermont’s transportation fund is stagnant and \$3 million below forecast for FY’07. The forecast for '08 has been downgraded another \$3 million so there is more pressure on state dollars to match federal funds. The legislature moved \$6.5 million from the General Fund to the Transportation Fund to cover the shortfalls of the '07 and '08 years. Mike Coates asked if the income from the railroads is captured and can be used as matching funds. Sam Lewis stated the money goes into the Transportation Fund, but more is being pulled out for rail versus revenues right now. Rep. Aswad asked about bonding for major projects. Sam Lewis stated a budget meeting is scheduled in the near future and this matter will be discussed. The state bonds about \$40 million per year mainly for capital facilities (buildings, schools, prisons).

5. Passenger Rail Service Subcommittee and Tasks

Sam Lewis reported letters to members regarding reappointment to the Rail Council are in hand. More are forthcoming. Individuals will be notified by mail. A press release will be drafted once members are notified. Individuals who submitted letters of interest for the Passenger Rail Service Subcommittee include Mike Coates, Charlie Hunter, Charlie Moore, Rick Moulton, John Cook, Bill McCormick, and Dave Wulfson.

MOTION by Paul Guare, SECOND by John Cook, to appoint Mike Coates, Charlie Hunter, Charlie Moore, Rick Moulton, and Dave Wulfson to serve on the five member Passenger Rail Service Subcommittee subject to membership on the Rail Council. VOTING: unanimous; motion carried.

The charge of the Passenger Rail Service Subcommittee was reviewed. Sam Lewis defined the charge by the legislature to improve the connectivity of transportation modes in the state. VTrans is working on improving connectivity.

MOTION by Sonny Audette, SECOND by Mike Coates, to adopt the charge of the Passenger Rail Service Subcommittee as presented.

DISCUSSION: Dave Wulfson suggested delaying adoption of the charge of the subcommittee until the Rail Council appointments. Bill McCormick noted the charge can be amended at any point in time. It was pointed out that the rail passenger and infrastructure subcommittees need to coordinate their efforts. There was a question as to whether the rail passenger

subcommittee should be authorized to act for the Rail Council, but it was clarified this is not covered under the Executive Order for the Rail Council.
VOTING: unanimous; motion carried.

6. Other Business

High Speed Rail

Scott Bascom reported Massachusetts is in the midst of personnel changes (there is no Director of Rail at this time, but there is a new Deputy Secretary of Transportation). A grant was received for Phase 2 of the high speed rail project. New Hampshire is not interested in participating. The FRA encourages doing an alternate route analysis (west to Springfield north to White River Junction to connect to the current alignment if feasible) and designating this as the high speed rail corridor. The matter needs further discussion with Massachusetts. Charlie Miller noted there is a rail authority in New Hampshire charged with working on establishing a commuter rail service from Lowell, MA to New Hampshire. Also, the northern New England high speed rail corridor has been amended to include Springfield, MA, New Haven, CT, and extending to Albany, NY. The line will connect with the east-west high speed route. Maine is looking at a high speed route north of Portland to a point of connection. Maine is not petitioning to extend the line to Montreal.

Commuter Rail

Charlie Miller mentioned commuter rail studies in Massachusetts for routes from Springfield to North Hampton to possibly Greenfield and Brattleboro. Potential impact on bus service will not be known until the studies are done.

Farm Rail Crossings Study Committee

Sam Lewis reported farm crossings are morphing into other accesses (for houses, businesses) so a committee is being established to investigate the matter and report suggestions to the legislature. Dick Hosking stated many farms are in the Land Trust and the Trust wants use of the crossings by pedestrians for educational programs (school children crossing the railroad tracks).

Rail Sales

Dick Hosking reported according to *Progressive Rail News* CP is selling Windsor Station and their offices in Montreal. Commuter type rail services go into Windsor Station. Windsor Station is a huge office complex of which the rail portion is only one section.

7. Next Meeting/Agenda

Next Rail Council Meeting: October 3, 2007, 1 p.m. – 4 p.m., Montpelier.

Agenda Item(s): Amtrak Fare Schedule

8. Adjournment

MOTION by Mike Coates, SECOND by Sonny Audette, to adjourn the meeting.

VOTING: unanimous; motion carried.

The meeting was adjourned at 3:25 p.m.

RScty: M.E.Riordan

“To Do” List from 8/1/07 Rail Council Meeting:

1. There was discussion of the state subsidizing seats on Amtrak. It was noted bus services are finding the fares are not competitive between the two modes. Charlie Miller will further research the matter and report to the Council at the next meeting.
2. Mr. Munger suggested showing Amtrak revenue and ridership figures because the revenues impact Vermont’s contract with Amtrak. Charlie Miller will provide this information.
3. The next meeting of the Infrastructure Subcommittee is scheduled for 9/12/07 at 9 a.m. Dick Hosking will send out a notice of the meeting.
4. The project status report is helpful though more specific information including the project, funds allocated and money spent to date (percent of work done) is needed.